



**Iowa Marketplace Choice Quarterly Report  
1115 Demonstration Waiver  
April 1, 2014 – June 30, 2014**

**July 30, 2014**

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## **I. EXECUTIVE SUMMARY**

In December 2013, CMS approved the Iowa Health and Wellness Plan (IHAWP) as the state's approach to expand Medicaid under the Patient Protection and Affordable Care Act (ACA). The IHAWP is comprised of two distinct 1115 waiver programs. Individuals are eligible for a program based on standing relative to the Federal Poverty Level (FPL):

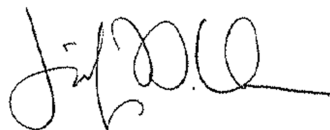
1. The Iowa Wellness Plan (IWP) – Covers individuals ages 19 through 64 with income up to and including 100 percent of the FPL. In this plan, coverage is administered directly through the state Medicaid agency, the Iowa Medicaid Enterprise (IME).
2. The Iowa Marketplace Choice Plan (MPC) – Also covers ages 19 through 64, but with income from 101 percent of the FPL up to 133 percent of the FPL. This plan employs premium assistance to purchase qualified health plans (QHP) from the Healthcare Marketplace established under the ACA. The current QHPs are Coventry Health Plan (Coventry) and CoOpportunity Health (CoOpportunity).

The IME continued to work closely with CMS for technical assistance and guidance on meeting requirements of the Special Terms and Conditions (STCs) for both plans. Despite ongoing challenges with administering a new program, the state accomplished several key activities in the second quarter of operation including:

- Implementation of the Dental Wellness Plan
- Established Accountable Care Organization (ACO) agreements with Broadlawns Medical Center, the University of Iowa Health Alliance, and UnityPoint Health Partners
- Implementation of the pilot for the Department of Corrections enrollment process
- Release of Request for Information to help develop the Request for Proposal to secure a vendor for the Healthy Behaviors Rewards Program
- Finalization of the core IHAWP evaluation designs
- Outreach to members and other community stakeholders to assist with IHAWP program awareness and education

Following this letter is a detailed report of key activities and statistics for the second quarter of the program's operation consistent with the STCs. Do not hesitate to contact me at 515-256-4621 or [jvermee@dhs.state.ia.us](mailto:jvermee@dhs.state.ia.us), or Deanna Jones at 515-256-4652 or [djones1@dhs.state.ia.us](mailto:djones1@dhs.state.ia.us) should you have any questions about this report or any other aspects of the new programs.

Sincerely,



Jennifer Vermeer  
Director  
Iowa Medicaid Enterprise

## **II. SIGNIFICANT ACTIVITIES OF THE QUARTER**

### **1. Transition and Implementation Activities**

#### **A. Member Engagement**

In the fall of 2013, the Iowa Medicaid Enterprise (IME) established a new Department of Human Services (DHS) Contact Center to specifically support the IHAWP enrollment and related ACA implementation inquiries. The call center responds to questions from internal department staff, such as field workers, as well as providing external customer support including enrollment applications and inquiries related to new and existing programs. Call center support continues to be helpful in providing guidance to individuals with the enrollment process.

Members continue to receive educational information about the Iowa Health and Wellness Plan through their initial welcome and enrollment packets. The packets contain information on the program, and information on available primary care providers, or health plans, based on the program for which the member is eligible. During second quarter, members began to receive materials specifically related to the Healthy Behaviors Program. Additionally, Iowa Medicaid began outreach on the Healthy Behaviors Program. All members received a letter and flyer announcing the program and explaining how to complete the activities. The information is now included in the enrollment packet for members new to the program (see Attachment 1).

#### **B. Provider Engagement**

The IME collaborated with both QHPs to develop a process to enhance member education about health plan benefits and healthy behavior requirements. The goal of this effort is to assist QHP customer service representatives deliver accurate and consistent responses to all IHAWP member inquiries.

### **2. Stakeholder Concerns**

Since the first quarter of 2014, the IME has received reports about the confusion over the delivery of benefits through two different waiver programs, the Wellness Plan or the Marketplace Choice Plan. The IME continued to address the confusion with the providers and stakeholder community through training sessions, webinars, provider-specific communications, and training documents.

In the second quarter, the IME became aware that advocacy groups have a preference for a particular QHP for certain services. Specifically, Iowa's Ryan White Program prefers the prescription drug formulary through CoOpportunity and consistently refers members to this health plan. This has led to members with HIV/AIDS selecting CoOpportunity as opposed to Coventry at a disproportionate rate. Currently, this issue has not resulted in access problems for members; however potential problems such as financial impacts for CoOpportunity are unknown at this time.

Issues raised by the QHPs during second quarter involved the following:

- Concerns about the cost of the new Hepatitis C medication, Sovaldi. Since use of this medication is recent, neither plan has specific impacts to report at this time.
- Requests for rate increases for the entire product line on the health insurance marketplace. Both QHPs are requesting over fifteen percent increases for their Marketplace Choice Plans. The IME has requested each QHP to provide a report that supports their request for the rate increase. This information will be shared in the next quarterly report.

### **3. Significant Events**

#### **A. Press Releases and Coverage**

- Press releases were distributed to explain the enrollment process and enrollment periods for the IHAWP in relation to the Health Insurance Marketplace through HealthCare.gov. Other releases provided information on ACO agreements, launch of the Dental Wellness Plan, and IHAWP enrollment (see Attachment 2).
- National news on the innovative design of the IHAWP continued in second quarter. Additionally, the program received press coverage about the Healthy Behaviors Program and enrollment growth of over 100,000 members in the month of May.

#### **B. Advocacy Groups and Community Outreach Activities**

Since January of 2014, the IME has distributed weekly email communications to update stakeholders on IHAWP activities. These communications contain new documents, member materials and key program developments. Approximately 700 individuals subscribe to the weekly updates.

In the second quarter, additional in-person or teleconference stakeholder educational sessions were held with the following organizations.

- Dental Wellness Plan educational sessions (8 in total, held across the state)
- Medical Assistance Advisory Council
- Council of Nephrology Social Workers
- Association of Insurance Compliance Professionals
- Free Clinics of Iowa
- Iowa Medicaid Clinical Advisory Committee
- Alliance of Community Mental Health Centers
- Safety Net Advisory Council
- Senior Health Insurance Information Program Specialists
- DSM Municipal Housing Agency
- Iowa Primary Care Association
- Patient-Centered Health Advisory Council
- Iowa Hospital Association
- Iowa Community Action Association

- Broadlawns Medical Center
- Primary Health Care (FQHC)

### **C. Post Award Forum**

In accordance with the Special Terms and Conditions (STCs), the state held an open forum on May 21, 2014, to allow the public an opportunity to comment on the progress of the IHAWP. See Attachment 3 for minutes of the public forum and Attachment 4 for additional written comments from the public.

## **4. Legislative Developments**

There were no legislative activities during the second quarter of 2014. However, the state worked on drafting rule amendments to reflect requirements in the STCs that will become effective January 1, 2015.

## **III. ELIGIBILITY/ENROLLMENT**

### **1. Quarterly Enrollment**

The overall IHAWP population increased by 17 percent over second quarter. At the end of second quarter, IHAWP enrollment totaled 110,527; an increase of 32 percent since March 2014. The Marketplace Choice component increased over the quarter by 21 percent with an ending total of 23,806. At the end of June, enrollment for CoOpportunity and Coventry totaled 9,210 and 8,465, respectively; 6,131 members were awaiting assignments to a QHP.

Monthly enrollment totals for the IHAWP are shown below.

<b>Plan/Coverage Group</b>	<b>April</b>	<b>May</b>	<b>June</b>
Marketplace Choice	19,630	21,786	23,806
Wellness	74,965	80,663	86,274
Presumptive IHAWP*	435	454	447
Total	95,030	102,903	110,527

\*Presumptive IHAWP – Members are defaulted to the Wellness Plan until plan/provider assignments are established.

Marketplace Choice enrollment totals by county can be found at:  
[http://dhs.iowa.gov/sites/default/files/IHAWPEnrollment%20Maps\\_June2014.pdf](http://dhs.iowa.gov/sites/default/files/IHAWPEnrollment%20Maps_June2014.pdf)  
 Additional enrollment information by demographic components will be provided in future quarterly reports when available.

### **2. Targeted Populations**

The state identifies specific population groups enrolled in the IHAWP to ensure their health care needs are met in accordance with the STCs. These groups consist of: (1) Nineteen and twenty year-olds, (2) American Indian/Alaskan Natives, and (3) the

medically exempt (“frail”). MPC enrollment for these groups is provided in the chart below.

Population Group	April	May	June
19-20 Year-old	724	855	988
American Indian/Alaskan Native	149	184	205
Medically Exempt	478	512	624
Total	1,351	1,551	1,817

#### **A. Nineteen/Twenty Year-olds**

The IME conducts outreach to members and providers to ensure they are aware that all EPSDT services are covered for members under age 21; this is done under a contract with the Iowa Department of Public Health (IDPH), as with other Medicaid groups. At the end of June 2014, members in this age group totaled 988. All members in the IHAWP receive information about coverage for EPSDT services in their enrollment packets.

#### **B. American Indian/Alaskan Natives**

Individuals identified as American Indian/Alaskan Natives (AI/AN) that meet eligibility for the MPC are allowed to choose whether they want to participate in the MPC. If no choice is made, these individuals will not be required to enroll in a QHP and will receive coverage in the Iowa Wellness Plan. AI/AN members totaled 205 at the end of June 2014. During this quarter there were no members of the AI/AN population who chose to receive services in the MPC.

#### **C. Medically Exempt**

MPC members identified as medically exempt (frail) as defined by 42 CFR 440.315, totaled 624 at the end of June 2014. Exempt members will be enrolled in the Medicaid state plan and have the option to change coverage to the Alternative Benefit Plan known as the IWP. As of June 30, 2014, no members identified as medically exempt elected to enroll in the IWP. The state’s methodologies for identifying these individuals are described below.

##### **▪ Self-attestation**

Members who enroll through the regular application process will receive a survey to self-attest their medical conditions/status if they provided affirmative answers to either of two questions on the single-streamlined application regarding: (1) receipt of Social Security income (2) and/or having a physical, mental, or emotional health condition that causes limitations in activities of daily living.

A notice accompanies the survey explaining completion of the survey is voluntary and that a member's benefit plan may change as a result of their survey responses. The resulting survey score is based on a weighted algorithm that determines whether the member meets the criteria of an exempt individual. Members will remain in their assigned plan (IWP or MPC) if the completed survey is not returned. The IME's Member Services Unit is available to assist members with any questions about the medically exempt process.

- **Provider Referrals**

The IME has also created a referral form to be used by providers or other entities that have a relationship with the member. The form is comprised of questions designed to assist with the process of medically exempt determinations. Completed forms are returned to the IME for review to determine if the member qualifies for medically exempt status.

To address confusion about the medically exempt concept, the IME educated providers and stakeholders about medically exempt coverage and the processes involved for determination. The IME will be available to provide education to specific groups as needed.

#### **IV. ACCESS/DELIVERY**

##### **1. Network Adequacy**

- Access/Delivery – Members in the MPC have access to a state-wide provider network when selecting a Qualified Health Provider (QHP). See Attachment 5 to view maps of network coverage by provider type and county available for each QHP.

##### **2. Service Delivery**

- Family Planning Services (FPS) – During second quarter, there were no wrap payments for FPS provided by the QHPs.
- Reporting EPSDT Services – The state began receiving encounter files from Coventry during the second quarter and continues to work with CoOpportunity to finalize the file transfer process. The state will develop a process to analyze EPSDT services once files are received from both QHPs, which is expected to occur during third quarter 2014.

#### **V. COMPLAINTS/GRIEVANCES/APPEALS**

##### **1. Complaints/Grievances**

IHAWP members have access to IME's Member Services Call Center to express their questions or concerns about the program. During second quarter, the IME received a low number of complaints with the majority consisting of basic questions about MPC benefits. Call Center representatives were able to resolve all issues with members during the calls. A summary of these complaints is provided below.



Complaint Type	April	May	June
Benefits and Services	11	3	4
Access	2	1	0
Substance Abuse/Mental Health Access	0	0	0
Quality of Care	0	0	0
Medical Provider Network	1	0	0
Premiums and Cost Sharing	1	0	0
Healthy Behaviors	0	0	0
Non-emergency Medical Transportation	0	0	0
EPSDT Services	0	0	0

In addition to the above IME complaints, Coventry received one complaint in related to a billing error that resulted in the member receiving full reimbursement from the provider.

## 2. Appeals/Exceptions

During second quarter one exception to Medicaid policy was requested by a member for consideration of payment for vision services. The state denied this request on the basis the service is not covered under the IHAWP. Additionally, there were no requests received by the QHPs for internal or external appeals.

## VI. Budget Neutrality/Fiscal Issues

During second quarter, the state did not encounter any financial issues related to the MPC.

The information below shows the total of “actual number of eligible member months” or the number of months (127,601) in which individuals (27,501) were able to receive services under the MPC from January 1, to June 30, 2014. *The state of Iowa certifies the accuracy of this information.*

		Elig End Date							
Elig Begin Date		2014/01/31	2014/02/28	2014/03/31	2014/04/30	2014/05/31	2014/06/30	2014/07/31	Grand Total
	2014/01/01	296	337	365	328	396	13,681	2	15,405
	2014/02/01		79	126	102	89	2,649		3,045
	2014/03/01			160	98	102	3,709		4,069
	2014/04/01				102	62	1,999		2,163
	2014/05/01					70	1,368		1,438
	2014/06/01						1,381		1,381
	Grand Total	296	416	651	630	719	24,787	2	27,501

		Member months							
Elig Begin Date		2014/01/31	2014/02/28	2014/03/31	2014/04/30	2014/05/31	2014/06/30	2014/07/31	Grand Total
	2014/01/01	296	674	1,095	1,312	1,980	82,086	12	87,455
	2014/02/01		79	252	306	356	13,245		14,238
	2014/03/01			160	196	306	14,836		15,498
	2014/04/01				102	124	5,997		6,223
	2014/05/01					70	2,736		2,806
	2014/06/01						1,381		1,381
	Grand Total	296	753	1,507	1,916	2,836	120,281	12	127,601

## VII. Utilization

During second quarter, the IME and the QHPs continued to work on the transfer of encounter data. Once this process is finalized, the IME will be able to monitor utilization of essential health benefits within the QHPs. This process is expected to be completed in during third quarter 2014.

The IME has not received any complaints from MPC members regarding essential health benefits during the second quarter.

## VIII. Future Planning

### 1. Dental Wellness Plan Implementation

On May 1, 2014, the state, in conjunction with Delta Dental of Iowa, implemented the Delta Wellness Plan (DWP) to provide dental coverage for IHAWP members under a prepaid ambulatory health plan structure. The following DWP related activities took place during second quarter.

- Since the program's inception, the DWP network grew to 663 providers at 813 locations throughout the state.

- Delta Dental processed a total of 13,663 claims. As of June 26, 2014, 9,656 unique members have received services and DWP providers have completed over 5,500 dental risk assessments.
- Delta Dental provided education to providers related to the plan design, which included details on emergency and stabilization criteria. Delta Dental will continue efforts to recruit additional providers during third quarter of 2014.
- Since the end of first quarter, Delta Dental conducted additional community and member outreach meetings.
- Delta Dental continued work on the development of systems and operating processes and procedures, and staff recruitment.

## **2. Healthy Behaviors Program**

On June 3, 2014, the state received CMS approval on the Healthy Behaviors Premiums Protocols that describes the state's plan for implementing Healthy Behavior Incentives and Premiums Protocols for year one (see Attachment 6). The state continues to work with CMS on provider access and completion of healthy behaviors for members who do not reside in counties that meet access to care standards. Additionally, in accordance with the STCs, the state worked on finalizing the Future Year Healthy Behaviors Incentives Standards and Premium Monitoring Protocols.

## **3. Evaluation Design**

On June 6, 2014, the state received CMS approval on the Evaluation Designs for the IHAWP demonstrations. In accordance with the STCs, the state posted the final designs on the IME website at: <http://dhs.iowa.gov/ime/about/iowa-health-and-wellness-plan/ihawp-fed-docs>. Additionally, during second quarter, the Iowa Public Policy Center received guidance from CMS on the evaluation designs for the healthy behaviors and dental components.

## **4. Department of Corrections Enrollment Process**

The DHS has partnered with the Department of Corrections (DOC) to streamline the enrollment process for offenders upon release. The new process is being piloted in several of the state correctional facilities to ensure that an offender eligible for Medicaid benefits has access to coverage at the time of their release. This initiative aims to connect offenders to necessary health care, and in many circumstances, needed mental health supports and services, with the goal of reducing recidivism. To date, the pilot process has been successful for many offenders. Over the next two quarters, DHS and DOC will look at a statewide rollout.

## **IX. Additional Information**

Please contact Deanna Jones at 515-256-4652 or [djones1@dhs.state.ia.us](mailto:djones1@dhs.state.ia.us), if there are any other materials or suggestions CMS would like to see for MPC related activities during the second quarter 2014 or on future quarterly reports.

## **Attachments**

1. Healthy Behaviors Introduction Letter – MPC Members
2. IHAWP Press Releases
3. Post Award Forum – Meeting Minutes
4. Post Award Forum – Written Comments
5. IHAWP Network Access
6. Healthy Behaviors – Approved Premium Protocols Year 1